

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA :
: CRIMINAL NO. _____
:
:
v. : VIOLATIONS: 18 U.S.C. §1341
: (Mail fraud -
: 9 counts)
: 18 U.S.C.
: §1001(a)(3)_
GEORGE GUYER YOUNG, III : (False statement-
: 9 counts)
: 18 U.S.C. §641
: (Theft of
: government funds-
: 3 counts)
: 18 U.S.C. § 982
: (a)(2) (Notice
of Forfeiture)

I N F O R M A T I O N

COUNTS ONE THROUGH NINE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this Information:

1. Defendant GEORGE GUYER YOUNG, III, was an attorney admitted to the bars of the Commonwealth of Pennsylvania, the District of Columbia, and the states of New Jersey and Florida. Defendant GEORGE GUYER YOUNG, III's law firm is in Havertown, Pennsylvania which is located

within the Eastern District of Pennsylvania.

THE ROLE OF GEORGE GUYER YOUNG, III, IN THE VETERANS
ADMINISTRATION'S FIDUCIARY PROGRAM FOR DISABLED VETERANS

2. The Veterans Administration ("VA") is an agency within the United States Department of Veterans Affairs charged with administering laws that provide benefits and other services to veterans, their dependents, and their beneficiaries.

3. The VA provides monetary compensation to U.S. military veterans who are disabled by injury or disease incurred or aggravated during active service on behalf of our nation. Such disability compensation varies with the degree of disability and the number of dependents, and is paid monthly.

4. The VA also provides life insurance benefits and services to veterans (disabled and non-disabled), service members, and beneficiaries through eight different insurance programs offering coverage from \$10,000 to \$250,000.

5. The VA is authorized under Title 38, United States Code, Section 5502, to appoint a fiduciary to manage

the affairs of a veteran, where it appears that such appointment would best serve the interests of the veteran. Such appointments occur, for example, where a veteran is bedridden or suffers from mental illness which causes that veteran to be unable to manage his or her financial affairs.

6. When the VA appoints a fiduciary for a veteran, that fiduciary enters into a contract with the VA promising to comply with the laws and regulations administered by the VA for the veteran's protection. The VA's requirements include standards for the management of the veteran's account, limitations on the fiduciary's fees, and annual accountings to the VA.

7. The fiduciary is required, annually, to prepare and file with the VA a Federal Fiduciary Annual Account Form ("FFAF") which documents all monies received by the veteran from the VA and from other sources, as well as disbursements made by the fiduciary on behalf of the veteran. The FFAF also provides documentation of bank accounts and investments, funds disbursed, and the balance of funds remaining in the veteran's estate.

8. The VA is authorized to review a veteran's

total estate which may include both VA and non-VA funds.

9. The fiduciary may not co-mingle his or her personal funds with those of the veteran. Accounts maintained by the fiduciary on behalf of the veteran are established in the name of the fiduciary on behalf of the veteran. The fiduciary must maintain investments separately for each veteran.

10. When a veteran dies, the fiduciary is required to pay all of the veteran's outstanding debts at the time of his death. If the deceased veteran has a VA life insurance policy with named beneficiaries, the fiduciary must attempt to locate the beneficiaries and inform them about the veteran's death. After paying all of the veteran's debts, the fiduciary must prepare a final FFAF.

11. If funds paid to the veteran by the VA remain in the veteran's estate after payment of debts and disbursements to beneficiaries, those funds must be returned to the VA by the fiduciary, less any legal expenses of administration incurred by the fiduciary.

12. The fiduciary is authorized to pay himself or herself from the veteran's account a commission that cannot

exceed 4% of the total VA monetary benefits paid to that veteran during a particular year for rendering all of the foregoing services.

13. The VA may suspend payments to a fiduciary if that fiduciary is not serving the needs and welfare of the veteran. When this occurs, the VA appoints a new fiduciary. The former fiduciary must then render a final accounting of a veteran's estate and transfer the estate to the newly appointed fiduciary.

DEFENDANT YOUNG AS FIDUCIARY FOR DISABLED VETERANS

14. Beginning on or about August 29, 1988 and continuing to in or about March 28, 2002, defendant GEORGE GUYER YOUNG, III, served as fiduciary for approximately 78 disabled veterans.

15. As of 2001, defendant GEORGE GUYER YOUNG, III, administered each month over \$125,800 in VA benefits for the disabled veterans, thus earning a fee of approximately \$5,000 per month. The combined value of the estates administered by YOUNG in 2001 totaled approximately \$1.5 million.

THE SCHEME

16. From in or about May 1993, and continuing to

in or about November 2001, defendant

GEORGE GUYER YOUNG, III,

devised and intended to devise a scheme to defraud disabled military veterans, their heirs and the Department of Veterans Affairs and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

It was part of the scheme that:

17. Defendant GEORGE GUYER YOUNG, III, took advantage of the disabled veterans for whom he served as fiduciary by stealing their money and concealing these thefts by inflating, among other categories, "medical expenses" and "utilities" that he had allegedly paid on behalf of the veterans on the annual FFAFs, that he filed with the VA.

18. Defendant GEORGE GUYER YOUNG, III, also took advantage of the disabled veterans by writing checks on the veterans' bank accounts to entities for his own personal benefit, such as investment plans, which the VA had no reason to question. He also took money from the veterans substantially in excess of his 4% commission, and disguised these thefts on the FFAFs as expenses paid on behalf of the veterans.

19. Defendant GEORGE GUYER YOUNG, III, took further advantage of some of the disabled veterans for whom he served as fiduciary by falsifying claims for insurance proceeds upon the death of the veterans so that YOUNG could obtain the insurance benefits instead of the veterans' rightful heirs. Defendant Young caused the VA to mail its death benefit checks to a post office box which he controlled, at P.O. Box 511, Havertown, Pennsylvania 19083.

20. Defendant GEORGE GUYER YOUNG, III, also continued to write checks for his personal benefit on a veteran's account after the veteran died, and failed to disclose these withdrawals to the VA. YOUNG thus victimized the veteran's true heirs and/or the VA, which should have received any funds not distributable to heirs upon the death of the veteran.

21. Defendant GEORGE GUYER YOUNG, III, either stole or attempted to steal the money and/or the death benefits of, among others, the following disabled veterans whose identities are known to the grand jury.

VETERAN C.J.

22. Veteran C.J. was born on April 13, 1917 and

served in the United States Army from January 1942 through February 1946, earning an honorable discharge.

23. In or about March 15, 1966, veteran C.J. purchased a VA life insurance policy. The beneficiaries of the policy were the three sisters of C.J., known to the grand jury as F.D., B.L., and M.M.

24. On or about October 22, 1999, veteran C.J. died.

25. On or about July 9, 2000, defendant GEORGE GUYER YOUNG, III, prepared and filed with the VA a Federal Fiduciary's Account Form which stated that veteran C.J. had a total estate at the time of his death of approximately \$16,627.95. The time period covered by the FFAF was from March 31, 2000 through June 30, 2000.

26. In an attempt to steal the life insurance proceeds payable to veteran C.J.'s beneficiaries, defendant GEORGE GUYER YOUNG, III, prepared three Claims For One Sum Payment (VA Form 29-4125) with the purported signatures of veteran C.J.'s three beneficiaries. The VA honored the three claims and sent to the following checks to defendant GEORGE GUYER YOUNG, III:

Check Number	Check Amount	Payee/Address
2221 02522030	\$1,792.58	F.D., P.O. Box 511, Havertown, Pennsylvania
2221 02522031	\$1,792.58	B.L., P.O. Box 511, Havertown, Pennsylvania
2221 02533032	\$1,792.61	M.M., P.O. Box 511, Havertown, Pennsylvania

VETERAN J.T.

27. Veteran J.T. was born on November 10, 1918 and served in the United States Navy from October 1939 through August 1941, earning an honorable discharge. On or about September 26, 1997, defendant GEORGE GUYER YOUNG, III, became the federal fiduciary for J.T.

28. In or about November 1939, veteran J.T. purchased a VA life insurance policy. Veteran J.T. designated his mother and sister, known to the grand jury as V.T. and E.T., as the beneficiaries of his policy.

29. Veteran J.T. died on or about April 25, 1999. On or about May 15, 2000, defendant YOUNG filed a Federal Fiduciary Account Form on behalf of veteran J.T. The Form stated that veteran's J.T.'s estate at the time of his death was \$16,607.41.

30. On or about December 15, 2000, defendant GEORGE GUYER YOUNG, III, stole money from veteran J.T.'s beneficiaries by writing a check (#1076) for \$600 on veteran J.T.'s bank account at Mellon Bank, fraudulently endorsing that check purporting to be veteran J.T., and using the proceeds to purchase a money order payable to Investment Plan Services for deposit into YOUNG's personal stock account.

31. On or about January 9, 2001, defendant GEORGE GUYER YOUNG, III, prepared and filed a Claim For One Sum Payment (VA Form 29-4125) seeking payment of J.T.'s death benefits. While J.T. had listed his sister and his mother as his beneficiaries, defendant YOUNG signed his own name on the death benefits claim form.

32. On or about January 31, 2001, a VA representative contacted defendant GEORGE GUYER YOUNG, III, regarding the Claim For One Sum Payment that he had signed on January 9, 2001. Defendant YOUNG advised the VA representative that he would submit a supplemental request for the death benefits in the form of a letter bearing the signatures of E.T. and V.T., who were J.T.'s designated beneficiaries.

33. On or about February 8, 2001, defendant GEORGE

GUYER YOUNG, III, sent a letter to the VA which contained the purported signatures of E.T. and V.T., each allegedly claiming a 50% interest in J.T.'s VA life insurance death benefits. Defendant YOUNG knew that these signatures were forged.

VETERAN S.B.

34. Veteran S.B. was born on June 20, 1951. S.B. was a United States Air Force veteran who received an honorable discharge on March 8, 1972. Defendant GEORGE GUYER YOUNG, III, was appointed by the VA as S.B.'s federal fiduciary on September 19, 1990.

35. On or about July 27, 1998, defendant GEORGE GUYER YOUNG, III, wrote a \$1,300 check, payable to himself, on the account of veteran S.B. Defendant YOUNG concealed his theft of funds from veteran S.B. by failing to describe this expenditure properly on veteran S.B.'s 1998 FFAF, and did not advise the VA that he had paid himself more than the 4% commission he was entitled to receive.

VETERAN J.B.

36. Veteran J.B. was born on March 5, 1958. J.B. is a United States Marine Corp veteran. He was honorably discharged on or about November 15, 1977. Defendant YOUNG was

appointed as J.B.'s federal fiduciary on or about March 16, 1990.

37. On or about January 26, 1999, defendant YOUNG wrote a \$500 check on the account of veteran J.B. Defendant YOUNG accounted for this check in J.B.'s check ledger as payment for clothing, but instead deposited this check into YOUNG's personal bank account.

38. On or about June 1, 2000, defendant YOUNG wrote a \$600 check (# 608) on veteran J.B.'s bank account. Defendant YOUNG fraudulently endorsed the check, used the proceeds to purchase money order # 19137942, and then used the funds to buy personal items from the Country French Collection.

39. In order to conceal his thefts of funds from veteran J.B., defendant YOUNG prepared a false FFAF for 2000, which did not reflect the disposition of funds taken from veteran J.B.'s bank account.

VETERAN K.G.

40. Veteran K.G. was born on February 26, 1950. K.G. is a United States Army veteran. He was honorably discharged from the Army on or about September 7, 1971.

Defendant YOUNG was appointed as K.G.'s federal fiduciary on or about December 7, 1995.

41. On or about February 24, 2000, defendant YOUNG wrote a check (#95) on the account of veteran K.G., payable to American Stock Transfer & Trust Company, for deposit into defendant YOUNG's personal stock account.

42. Defendant YOUNG concealed his theft of funds from veteran K.G. by failing to describe the disposition of funds on veteran K.G.'s 2000 FFAF.

VETERAN R.M.

43. Veteran R.M. was born on May 3, 1961. R.M. is a United States Army veteran. He was honorably discharged from the Army on or about October 10, 1990. Defendant YOUNG was appointed as R.M.'s federal fiduciary on or about September 8, 1995.

44. On or about February 21, 2000, defendant YOUNG wrote a \$1,700 check on the account of veteran R.M. payable to Investment Plan Services. Defendant YOUNG deposited those funds into his own investment account.

45. Defendant YOUNG concealed his theft of funds from veteran R.M. by filing a false FFAF for 2000.

VETERAN D.H.

46. Veteran D.H. was born on March 6, 1956. D.H. is a United States Army veteran. He was honorably discharged from the Army on or about November 6, 1976. Defendant YOUNG was appointed as D.H.'s federal fiduciary on or about October 27, 1994.

47. On or about February 24, 2000, defendant YOUNG wrote a \$1,900 check on veteran D.H.'s bank account payable to Investment Plan Services. Defendant YOUNG deposited these funds into his own investment account.

48. Defendant YOUNG concealed his theft of funds from veteran D.H. by filing a false FFAF which failed to describe the disposition of funds.

VETERAN K.C.

49. Defendant K.C. was born on or about April 13, 1953. K.C. is a United States Navy veteran. K.C. was honorably discharged from the Navy on or about January 22, 1976. Defendant YOUNG was appointed as K.C.'s federal fiduciary on or about July 21, 1992.

50. On or about December 21, 2000, defendant wrote

a \$300 check on veteran K.C.'s bank account. Defendant used the check to purchase a money order, which YOUNG then applied toward his own personal account at R.H. Macy & Company.

51. Defendant YOUNG concealed his theft of funds from veteran K.C. by failing to describe the disposition of funds on veteran K.C.'s 2000 FFAF.

52. On or about each of the dates listed below, in the Eastern District of Pennsylvania, defendant

GEORGE GUYER YOUNG, III,

for the purpose of executing the scheme to defraud and attempting to do so, knowingly caused to be delivered by mail according to the directions thereon a letter from YOUNG, enclosing a Federal Fiduciary Account Form addressed to the United States Department of Veterans Affairs, which falsely accounted for the military veterans' funds and concealed YOUNG's thefts of these funds, each mailing constituting a separate count:

<u>COUNT</u>	<u>MONTH & YEAR OF MAILING</u>	<u>DOCUMENT MAILED AND NATURE OF FRAUD IN THE MAILING</u>
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1	October 1998	False FFAF for <u>Veteran S.B.:</u> FFAF failed to account accurately for a \$1,300 check that defendant YOUNG wrote to himself on S.B.'s bank account.
2	July 2000	False FFAF for <u>Veteran J.B.:</u> FFAF failed to account accurately for two checks that defendant YOUNG wrote on J.B.'s bank account, one used to purchase a money order (\$600) for YOUNG's personal, and the second (\$500) for deposit into YOUNG's personal bank account.
3	October 2000	False FFAF for <u>Veteran K.G.:</u> FFAF did not accurately account for a \$500 check that defendant YOUNG wrote on K.G.'s bank account for YOUNG's personal benefit; FFAF also failed to disclose \$280 in checks that YOUNG wrote on K.G.'s bank account, payable to Estate Enterprises for YOUNG's benefit.
4	August 2000	False FFAF for <u>Veteran R.M.:</u> FFAF failed to account accurately for a \$1,700 check that defendant YOUNG wrote for deposit into YOUNG's investment account with Investment Plan Services.
5	November 2000	False FFAF for <u>Veteran D.H.:</u> FFAF failed to account accurately for a \$1,900 check that defendant YOUNG wrote for deposit into YOUNG's investment account with Investment Plan Services.

6	August 2001	False FFAF for <u>Veteran K.C.</u> : FFAF failed to account accurately for a \$380 check that defendant YOUNG used to pay his own debt to R.H. Macy & Company.
7	January 2000	Mailing by the VA to defendant YOUNG's Post Office box of a United States Treasury check payable to M.M., beneficiary of deceased veteran C.J., where YOUNG had forged M.M.'s signature.
8	January 2000	Mailing by the VA to defendant YOUNG's Post Office box of a United States Treasury check payable to B.L., beneficiary of deceased veteran C.J., where YOUNG had forged B.L.'s signature.
9	January 2000	Mailing by the VA to defendant YOUNG's Post Office box of a United States Treasury check payable to F.D., beneficiary of deceased veteran C.J., where YOUNG had forged F.D.'s signature.

In violation of Title 18, United States Code,
Section 1341.

COUNT TEN

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs one through 26 of Count One are
incorporated by reference.

2. On or about December 3, 1999, in the Eastern District of Pennsylvania, defendant

GEORGE GUYER YOUNG, III,

in a matter within the jurisdiction of the Department of Veterans Affairs, an agency of the executive branch of the United States, knowingly and willfully made or used materially false, fictitious, and fraudulent statements and representations by presenting to the United States Department of Veterans Affairs a Claim For One Sum Payment (Form 29-4125), bearing the purported signature of B.L., an individual designated by United States Armed Forces veteran C.J. as one of his life insurance policy beneficiaries, when defendant knew that he had forged B.L.'s signature.

In violation of Title 18, United States Code, Section 1001(a)(3).

COUNT ELEVEN

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 26 of Count One are incorporated by reference.

2. On or about December 9, 1999, in the Eastern District of Pennsylvania, defendant

GEORGE GUYER YOUNG, III,

in a matter within the jurisdiction of the Department of Veterans Affairs, an agency of the executive branch of the United States, knowingly and willfully made or used materially false, fictitious, and fraudulent statements and representations by presenting to the United States Department of Veterans Affairs a Claim For One Sum Payment (Form 29-4125) bearing the purported signature of M.M., an individual designated by United States Armed Forces veteran C.J. as one of his life insurance policy beneficiaries, when defendant knew that he had forged M.M.'s signature.

In violation of Title 18, United States Code, Section 1001(a)(3).

COUNT TWELVE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 26 of Count One are incorporated by reference.

2. On or about December 14, 1999, in the Eastern District of Pennsylvania, defendant

GEORGE GUYER YOUNG, III,

in a matter within the jurisdiction of the Department of Veterans Affairs, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations by presenting to the United States Department of Veterans Affairs a Claim For One Sum Payment (Form 29-4125) bearing the purported signature of F.D., an individual designated by United States Armed Forces veteran C.J. as one of his life insurance policy beneficiaries, when defendant knew that he had forged F.D.'s signature.

In violation of Title 18, United States Code, Section 1001(a)(3).

COUNT THIRTEEN

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 21 and 27 through 33 of Count One are incorporated by reference.

2. On or about February 8, 2001, in the Eastern District of Pennsylvania, defendant

GEORGE GUYER YOUNG, III,

in a matter within the jurisdiction of the Department of Veterans Affairs, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations by presenting a letter dated February 8, 2001, to the United States Department of Veterans Affairs which purported to contain the signatures of two individuals known to the grand jury as E.T. and V.T., both of whom were the named beneficiaries on a life insurance policy held by veteran J.T., when defendant knew that he had forged E.T.'s and V.T.'s signatures.

In violation of Title 18, United States Code, Section 1001(a)(3).

COUNTS FOURTEEN THROUGH EIGHTEEN

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 20 and 34 through 48 of Count One are incorporated by reference.

2. On or about the dates listed below, in the Eastern District of Pennsylvania, defendant

GEORGE GUYER YOUNG, III,

in a matter within the jurisdiction of the Department of Veterans Affairs, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations by presenting to the United States Department of Veterans Affairs Federal Fiduciary Account Forms, described below, which YOUNG knew were false because they did not properly account for the manner in which defendant had spent monies belonging to disabled veterans for whom defendant YOUNG served as fiduciary, and because these forms concealed defendant's thefts of these monies, each false FFAF constituting a separate count:

<u>COUNT</u>	<u>DATE ON FEDERAL FIDUCIARY ACCOUNT FORM</u>	<u>DESCRIPTION OF FALSE STATEMENT</u>
14	August 31, 1998	\$1,300 stolen from <u>Veteran S.B.</u> 's bank account; theft disguised on FFAF as payment for medical expense.
15	August 23, 2000	\$1,700 stolen from <u>Veteran R.M.</u> 's bank account; theft disguised on FFAF as payment for medical expense.
16	October 30, 2000	\$500 stolen from <u>Veteran K.G.</u> 's bank account; theft omitted from FFAF.
17	October 31, 2000	\$1,900 stolen from <u>Veteran D.H.</u> 's bank account; theft disguised on FFAF as payment for medical expense.
18	February 25, 2001	\$1,375 stolen from <u>Veteran J.B.</u> 's bank account in form of two checks; theft disguised on FFAF as payments for clothing and housing.

In violation of Title 18, United States Code,
Section 1001(a)(3).

COUNTS NINETEEN THROUGH TWENTY-ONE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 26 of Count One are incorporated by reference.

2. After Veteran C.J. died on or about April 25, 1999, defendant GEORGE GUYER YOUNG, III, submitted forged claims for life insurance benefits purporting to bear the signatures of the veteran's sisters, F.D., B.L. and M.M, whom veteran C.J. had named as the beneficiaries of his life insurance policy.

3. The VA issued three checks in payment of these forged claims and sent these checks to defendant GEORGE GUYER YOUNG, III's post office box address as defendant had requested.

4. On or about January 31, 2000, in the Eastern District of Pennsylvania, defendant

GEORGE GUYER YOUNG, III, willfully and knowingly received, concealed and retained stolen property of the United States, that is, United States Treasury checks payable to the following life insurance beneficiaries of veteran C.J., each of a value in

excess of \$1,000, with the intent to convert said property to his own use, each check constituting a separate count:

Count	Check Number/ Amount	Payee/Address
19	#2221 02522030 \$1,792.58	F.D., P.O. Box 511, Havertown, PA.
20	#2221 02522031 \$1,792.58	B.L., P.O. Box 511, Havertown, PA.
21	#2221 02522032 \$1,792.61	M.M., P.O. Box 511, Havertown, PA.

In violation of Title 18, United States Code,
Section 641.

NOTICE OF FORFEITURE

1. As a result of the violations of Title 18, United States Code, Sections 1341 and 1956 set forth in Counts One through Eight and Twenty-Two through Twenty-Four of this Information, defendant

GEORGE GUYER YOUNG, III,

shall forfeit to the United States of America any property constituting, or derived from, proceeds obtained directly or indirectly as the result of the violations of Title 18, United States Code, Sections 1341 or 1956, as charged in this Information, including, but not limited to, the sum of \$38,991.18.

2. If any of the property subject to forfeiture, as a result of any act or omission of defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;

(d) has been substantially diminished in value; or

(e) has been commingled with other property which

cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 18,

United States Code, Section 982(b), incorporating 21 U.S.C.

§ 853(p), to seek forfeiture of any other property of

defendant up to the value of the property subject to

forfeiture.

All pursuant to Title 18, United States Code, Section

982(a)(2).

PATRICK L. MEEHAN
United States Attorney